

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

HB 379 - SB 319

February 19, 2009

SUMMARY OF BILL: Authorizes students who attend out-of-state boarding schools that are accredited by any accrediting association to receive the HOPE Scholarship. Currently, a student must attend an out-of-state boarding school accredited by a regional accrediting association.

ESTIMATED FISCAL IMPACT:

Other Fiscal Impact – Increases the expenditure of lottery proceeds earmarked for scholarships and grants by \$22,000 in FY09-10 and by \$24,000 in FY10-11.

Assumptions:

- The Tennessee Student Assistance Corporation (TSAC) projects six additional students will qualify for HOPE Scholarships in FY09-10 as a result of this bill.
- Of the six additional students in FY09-10, five are projected to attend eligible four-year institutions, and thus be eligible for awards of \$4,000 per year; one is projected to attend an eligible two-year institution, and thus be eligible for an award of \$2,000 per year.
- The increase of expenditures from lottery proceeds for FY09-10 is estimated to be \$22,000 $[(5 \times \$4,000) + (1 \times \$2,000) = \$22,000]$.
- All six additional students for FY09-10 retain their HOPE Scholarships into FY10-11.
- One additional student from growth in FY10-11. This student attends an eligible two-year institution, increasing the expenditure of lottery proceeds by \$2,000 for FY10-11. Therefore, the total increase of expenditures from lottery proceeds for FY10-11 is estimated to be \$24,000 $(\$22,000 + \$2,000 = \$24,000)$.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is fluid and cursive, with the first name "James" written in a larger, more prominent script than the last name "White".

James W. White, Executive Director

/rnc